



SQM Research

Home Sellers Boosting Asking Prices

Embargoed to 12.01am, Saturday, 23rd February 2013

Vendors have been lifting their asking prices throughout the months of January and February 2013, according to the new vendor sentiment index released this week by SQM Research.

This index has revealed that capital city asking prices have risen by 0.4% for units and 1.5% for houses over the past ninety days, with some cities recording rises in excess of 3%.

A rise in asking prices suggests home sellers are becoming more confident of market conditions and that buyers are bidding more aggressively for real estate that has been offered at fair market value.

Perth, Darwin, Sydney and Adelaide are now all recording increased asking prices, suggesting that the downturn is well and truly over in these cities. However, Hobart and Canberra have continued to record weakness overall since the start of the new year. Vendors have not yet begun to lift their asking prices in Brisbane and Melbourne, which suggests buyers are still largely in control of the market in these cities.

Coolangatta and Palm Cove have revealed some of the steepest declines within the new index, in circumstances where vendors have had to lower their asking prices by as much as 49% over the past three years.

The findings are part of SQM Research's newly released Weekly Vendor Sentiment Index (as measured by asking sales prices). The index gages the sentiment of vendors selling their properties, split into the categories of: all houses, 3 bedroom houses, all units and 2 bedroom units. This data will be made available on a national, capital city, regional and postcode basis.

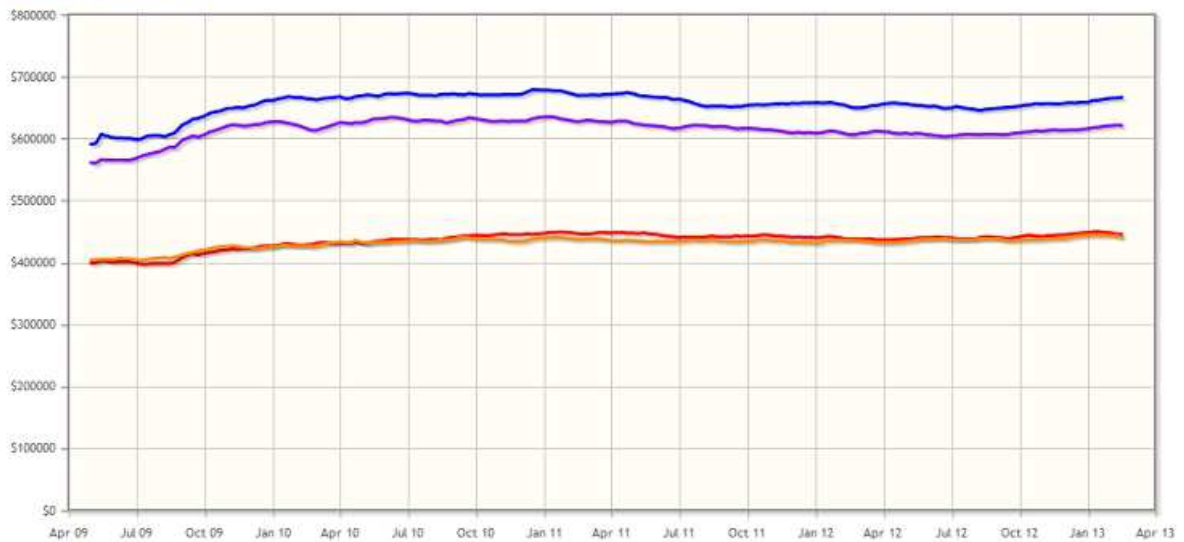
The data from this index will be accessible for free in graph form on our website www.sqmresearch.com.au.

SQM Research believe that these indexes will be a superior leading indicator of the Australian Bureau of Statistics (ABS) Housing Price Series – as the correlation between the two has already proved to be astoundingly close – 0.97% correlation.



Weekly Vendor Sentiment

Capital City Average



Month marked represents start of month.

- asking price for houses
- asking price for 3 bedroom house
- asking price for units
- asking price for 2 bedroom unit

source: SQM research.com.au

SQM Research Weekly Asking Prices Index							
Week ending 19 Feb 2013		Change on prev week	Rolling month change	Rolling quarter change	12 month % change	3 year % change	
			%	%	%	%	
Capital city average	All Houses	666.1	1.0 ▲	0.7% ▲	1.5% ▲	2.3% ▲	0.3% ▲
	3 br Houses	620.6	-0.7 ▼	0.5% ▲	1.3% ▲	2.4% ▲	0.6% ▲
	All Units	445.1	-0.3 ▼	-1.0% ▼	0.4% ▲	1.6% ▲	3.9% ▲
	2 br Units	440.8	-1.4 ▼	-0.7% ▼	0.7% ▲	1.2% ▲	3.3% ▲

Source: SQM Research
Next update: 26th February 2013



SQM Research Weekly Asking Prices Index					
Week ending		Asking Price	Chg on prev wk	Rolling month % chg	12 mth % chg
Canberra	All Houses	665.0	-0.2 ▼	-0.6% ▼	-3.6% ▼
	All Units	408.5	0.2 ▲	-0.3% ▼	-3.2% ▼
Sydney	All Houses	873.8	0.6 ▲	0.9% ▲	4.3% ▲
	All Units	508.5	0.1 ▲	0.3% ▲	5.3% ▲
Darwin	All Houses	701.5	6.5 ▲	0.0% ▲	11.9% ▲
	All Units	470.8	-0.9 ▼	1.5% ▲	19.9% ▲
Brisbane	All Houses	515.5	0.3 ▲	0.3% ▲	-1.4% ▼
	All Units	355.0	0.0 ▲	-0.2% ▼	1.0% ▲
Adelaide	All Houses	465.6	0.0 ▲	0.2% ▲	-1.1% ▼
	All Units	286.2	0.9 ▲	0.5% ▲	-0.3% ▼
Hobart	All Houses	381.1	0.7 ▲	0.3% ▲	-3.9% ▼
	All Units	256.9	0.4 ▲	0.1% ▲	1.6% ▲
Melbourne	All Houses	620.8	0.5 ▲	-1.2% ▼	-1.3% ▼
	All Units	416.4	-1.1 ▼	-0.4% ▼	0.3% ▲
Perth	All Houses	707.1	3.1 ▲	1.4% ▲	2.1% ▲
	All Units	438.5	1.8 ▲	1.1% ▲	5.9% ▲
National	All Houses	463.4	0.3 ▲	0.3% ▲	0.6% ▲
	All Units	325.7	0.1 ▲	-0.4% ▼	-0.0% ▼
Cap City Average	All Houses	666.1	1.0 ▲	0.7% ▲	2.3% ▲
	All Units	445.1	-0.3 ▼	-1.0% ▼	1.6% ▲

Source: SQM Research
Next update: 26th February 2013

Louis Christopher, Managing Director of SQM Research says *“I am actually surprised at how closely this new index correlates with the ABS house price series. Of course, we have built the index on similar geographical composites plus we have stratified the index in a similar way to the ABS. Overall I am very excited to bring this index to the market. It is a step forward in delivering timeliness and transparency to the property market and a step forward for SQM in making it the most respected authority on the housing market.”*

www.sqmresearch.com.au

About SQM Research

SQM Research is an independent property research house which specialises in providing accurate property related research and data to financial institutions, property professional, real estate investors and the media.

It is owned and operated by one of the country’s leading property analysts, Louis Christopher.



For six years Louis was Head of Research and then General Manager of Australian Property Monitors before leaving the firm to launch SQM Research.

-ENDS-